

Message Text

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ORIGIN EB-08

INFO OCT-01 EUR-12 EA-07 ISO-00 COME-00 FMC-01 L-03

CIAE-00 DODE-00 DOTE-00 INR-07 NSAE-00 SAL-01

CG-00 DLOS-06 OES-06 /052 R

DRAFTED BY EB/TCA/MA:REJOHE:EW

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EUR/WE:GFOURIER

MARAD:JHOEN

FMC:TCHRISTENSEN

L/EB:JRCROOK (SUBS)

EUR/RPE:ASENS

-----212336Z 030604 /72-62

P R 212219Z MAR 77

FM SECSTATE WASHDC

TO AMEMBASSY LISBON PRIORITY

USMISSION OECD PARIS PRIORITY

INFO AMEMBASSY TOKYO

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OECD PARIS FOR RICHARD K. BANK, USDEL MTC MEETING

E.O. 11652:N/A

TAGS:EWWT, PFOR, PO, US

SUBJECT:GOP SHIPPING MEASURES

REF: LISBON 2222 AND PREVIOUS

1. DEPARTMENT APPRECIATIVE OF EMBASSY'S ATTENTION AND
REPORTING ON PORTUGUESE SHIPPING PROTECTION MEASURES.
AS EMBASSY IS PROBABLY AWARE, THE USG HAS IMPLEMENTED A
VARIETY OF DOMESTIC CARGO PREFERENCE MEASURES WHICH
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RESERVE CERTAIN GOVERNMENT IMPELLED CARGOES TO US-FLAG
VESSELS. THE MOST INCLUSIVE OF THESE MEASURES IS THE
CARGO PREFERENCE ACT OF 1954 (PL 664). THIS ACT COVERS
3 CLASSES OF GOODS: GOODS BOUGHT BY THE USG FOR ITS OWN
ACCOUNT; GOODS PROVIDED BY THE USG FOR THE ACCOUNT OF ANY
FOREIGN NATION; AND GOODS FOR WHICH THE USG HAS ADVANCED
FUNDS. THE LAW DIRECTS THAT WHENEVER THE ABOVE GOODS

ARE MOVED BY SEA, AT LEAST 50 PER CENT, BY GROSS TONNAGE,
MUST BE CARRIED IN PRIVATELY OWNED US-FLAG COMMERCIAL
VESSELS.

2. LANGUAGE WHICH APPEARS IN PORTUGUESE DECREE NUMBER
75-U/77 OF 28 FEBRUARY 1977 WOULD SEEM TO PROVIDE FOR
MEASURES SIMILAR TO THOSE IN PL 664. FOR EXAMPLE, IN
ARTICLE 1 OF THE DECREE, THE DEPARTMENT OF PUBLIC

ADMINISTRATION COULD BE CONSIDERED TO CARRY THE SAME
CONNOTATION AS THE USG CRITERION OF GOVERNMENT IMPELLED
CARGO. THUS NEITHER THE FMC NOR AMERICAN EXPORT LINES
SEE DISCRIMINATION PER SE IN THE DECREE. IN FACT,
BALLIN (VP, AEL) BELIEVES THAT DECREE WILL PROBABLY
ASSIST US-FLAG CARRIERS IN THE PORTUGUESE TRADE
BECAUSE OF THE EQUAL TREATMENT GRANTED BY THE USG UNDER
ARTICLE 2 OF THE DECREE. THUS, COUNTRIES NOT ALLOWING
RECIPROCITY WILL LOSE BUSINESS TO THE US-FLAG CARRIERS.
HOWEVER, BOTH FMC AND AEL RESERVE ANY FINAL JUDGMENT
PENDING IMPLEMENTATION OF THE DECREE.

3. ON THE SUBJECT OF THE OECD CODE OF LIBERALISATION
OF CURRENT INVISIBLE OPERATIONS (MARCH, 1973), IT
SHOULD BE NOTED THAT THE USG DID NOT SIGN THE SECOND
SENTENCE OF NOTE ONE ON PAGE 33 OF THE OECD CODE.
FYI: ACCORDINGLY, USG CANNOT INVOKE IN GOOD FAITH
INVISIBLE CODE IN OPPOSITION TO PORTUGUESE MEASURES.
END FYI.

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NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01-Jan-1994 12:00:00 am
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: MARINE TRANSPORTATION, LAW, TRADE CONTROLS
Control Number: n/a
Copy: SINGLE
Sent Date: 21-Mar-1977 12:00:00 am
Decaption Date: 01-Jan-1960 12:00:00 am
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 22 May 2009
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1977STATE062522
Document Source: CORE
Document Unique ID: 00
Drafter: REJOHE:EW
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Expiration:
Film Number: D770096-1143
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1977/newtext/t19770338/aaaabgsm.tel
Line Count: 97
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Office: ORIGIN EB
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
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Previous Handling Restrictions: n/a
Reference: 77 LISBON 2222
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 01-Dec-2004 12:00:00 am
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Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 3043326
Secure: OPEN
Status: NATIVE
Subject: GOP SHIPPING MEASURES
TAGS: EWWT, PFOR, PO, US
To: LISBON OECD PARIS
Type: TE
vdkgvwkey: odbc://SAS/SAS.dbo.SAS_Docs/9e9ed4b4-c288-dd11-92da-001cc4696bcc
Review Markings:
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